Investment in power generation by private sector

577. SHRI B. K. HARIPRASAD: Will the Minister of POWER be pleased to state:

(a) whether Government have decided to counter-guarantee payments due from State Eelectricity Boards, as an added incentive to private sector which is willing to invest in power generation;

(b) if so, whether Government have taken into consideration the experience gained from hindsight of the chronic inefficiencys mismanagement and resulting inability of pay dues on schedule, on the part of State Electricity Boards;

(c) whether in the moves for new capacity addition, Government propose to extend such facilities and support to Central agencies like National Thermal Power Corporation and National Hydel Power Corporation which have built up requisite capabilities in construction, power house management and distribution; and

(d) whether Government have taken into account the fact that the power generation cost in the plants managed by NTPC worked out to Rs. 125 per unit whereas on modest estimates the per unit generation cost by private sector would work out to a minimum of Rs. 2.50?

THE MINISTER OF STATE IN THE MINISTRY OF POWER (SHRI P. V. RANGAYYA NAIDU): (a) A decision 'in principle' has been taken to consider giving GOI counter-guarantee to back up State Governments guarantee for SEBs payment obligations to the private generating companies, on a specific request of the State Government concerned and subject to the State Goverment agreeing to certain terms and conditions.

(b) No Sir. Govt. of India would take account, the financial health and other relevant factors of the SEB/ State Govt. concerned before extending such counter-guarantee.

(c) and (d) The policy to encourage greater private investments into the electricity sector was introduced to bring in additionality of resources for capacity addition in generation and distribution to meet the increasing demand for electricity in the context of paucity of resources with public undertakings in the State and Central sectors inhibiting them from taking up projects for capacity addition. Putting up new projects has been taken into consideration while framing the policy to encourage greater private investments into the power sector, and the cost of putting up new generation capacity was kept in view.

Amendments proposed in the electricity Spply Act, 1910

578. SHRI B. K. HARIPRASAD: Will the Minister of POWER be pleased to state:

(a) whether it is a fact that a Conference of law officers of state electricity boards was held recently at Baroda;

(b) if so, whether the Conference proposed amendments in the Electricity Supply Act and also more statutory powers to boards to deal with cases of power thefts; and

(c) whether Government propose to consider to amend the Electricity Supply Act framed in 1910 to deal with situations arising out of nonpayment of electricity bills and effectively face the consumer fora as well as civil courts?

THE MINISTER OF STATE IN THE MINISTRY OF POWER (SHRI P.V. RANGAYYA NAIDU): (a) to (c) Yes, Sir. The Gujarat Electricity Board convened a conference of Law Officers of all Electricity Boards on 11th September, 1993 at Baroda. The resolutions of the Conference have